

HUMBERSIDE FIRE AUTHORITY
GOVERNANCE, AUDIT AND SCRUTINY COMMITTEE

3 APRIL 2023

PRESENT: Independent Co-opted Members Chris Brown, Kathryn Lavery, Nigel Saxby, and Gerry Wareham.

Officers Present: Matthew Sutcliffe – Assistant Chief Fire Officer & Executive Director of Corporate Services, Christine Cooper - Executive Director of People and Development, Sam O'Connor – Head of Organisational Development, Steve Duffield – Area Manager of Service Improvement, Martyn Ransom – Joint Deputy Chief Finance Officer & Deputy S.151 Officer, Simon Rhodes - Head of Corporate Assurance, Ian Marritt - Voices for Disability Chair, Jamie Morris – Senior Service Improvement Officer, Gareth Naidoo – Senior Corporate Assurance Officer, Lisa Nicholson – Monitoring Officer/Secretary, and Rob Close – Committee Manager.

External Audit (Mazars)

Ross Woodley – Mazars

Councillor Green was also in attendance.

The meeting was held at the Humberside Fire and Rescue Service Headquarters, Kingston upon Hull.

In the absence of the Chairperson, the Monitoring Officer & Secretary took nominations to appoint a Chair for the meeting.

21/23 APPOINTMENT OF CHAIRPERSON FOR THIS MEETING – Resolved - That Chris Brown be appointed Chair for the meeting.

22/23 APOLOGIES FOR ABSENCE – Apologies for absence were received from Melissa Dearey.

23/23 DECLARATIONS OF INTEREST – No declarations of interest were made with respect to any items on the agenda.

24/23 MINUTES – *Resolved* – That the minutes of the meeting held on 20 February 2023 be confirmed as a correct record.

25/23 ANNUAL STRATEGY MEMORANDUM 2022/23 – Ross Woodley (Mazars) presented the External Audit Strategy Memorandum for the year ending 31 March 2023.

The Committee was advised that the Audit Strategy Memorandum had not significantly changed compared to those of previous years. The Memorandum presented the same three standard fire and rescue service key risks as it had in the previous year. No changes had been made to the fees for the audit, other than a 5.2 per cent increase from inflation which was funded through Public Sector Audit Appointments (PSAA). The calculation for misstatements remained the same as previous years with £43,000 sitting as the threshold misstatement to be reported to the Committee.

There was significant workforce challenges across the public auditing sector which was only exacerbated by the return to the 31 September sign off deadline. However, the Authority's audit was relatively simple, so the external auditors were cautiously optimistic to meet the sign off deadline. The impact to the Authority from external auditor performance was minimal,

though, there was some effort made to include Key Performance Indicators (KPIs) in the contracts made through PSAA. Ultimately, this proved unfeasible.

The external valuer used in the valuation of land and buildings was, so far, considered to be acceptable by the external auditors. Furthermore, while the external auditors were satisfied that there was not likely to be a change in contributions, the assets and liabilities of the pension fund were likely to vary significantly.

Resolved – That the External Audit Strategy Memorandum be received.

26/23 MANAGEMENT ACCOUNTS 2022/23 PERIOD ENDING 28 FEBRUARY 2023 – The Committee received a report of the Deputy Joint Chief Finance Officer and Deputy Section 151 Officer.

The Authority was forecast an underspend of £0.6m in its revenue budget with the inclusion of the 2023 pay award. The capital account was also underspent by £4.2m as a consequence of slippage on estates work.

To meet the additional costs of the pay award, the Authority was able to avoid using reserves because of the accumulated asset interest and capital programme slippage. There was however expected to be a larger impact to the Authority's finances during the next financial year.

The capital programme slippage was not expected to have a detrimental effect on the delivery of service as the programme focussed primarily on replacements for vehicles that had capacity that could still be extended.

It was felt that the activity to recruit and train contingency staff still provided satisfactory value for money as those staff provided a third model of response where necessary.

Resolved – That the Management Accounts for the period ending 28 February 2023 be received.

27/23 ANNUAL GOVERNANCE STATEMENT 2022/23 – The Committee received a report of the Area Manager of Service Improvement summarising the draft Annual Governance Statement for 2022/23.

The Annual Governance Statement 2022/23 would accompany the Authority's audited accounts and had been submitted to the Committee for consideration prior to its adoption at Humberside Fire Authority. The Statement set out ensuring that the Authority's business was conducted in accordance with the law and proper standards and was making economic, efficient, and effective use of its resources through its governance arrangements.

Ultimately, officers were content that the Annual Governance Statement was effective in identifying the Authority's Governance position.

It was explained that the constitution was reviewed on an annual basis including issues of schemes of delegation.

Resolved – (a) That the Committee endorse the draft Annual Governance Statement for 2022/23 to the Humberside Fire Authority.

(b) That, once approved, the Statement on the overall Head of Internal Audit opinion for the period 1 April 2022 to 31 March 2023 be forward to the Governance, Audit and Scrutiny Committee for information.

28/23 ANNUAL ANTI-FRAUD AND CORRUPTION STATEMENT 2022/23 – The Committee received a report of the Area Manager Service Improvement summarising the draft Annual Anti-Fraud and Corruption Statement 2022/23.

Produced in response to the recommendations within an Internal Audit review of Counter Fraud Arrangements, the annual Anti-Fraud and Corruption Statement covered key actions taken throughout the reporting year to provide an assurance of the processes in place. The report covered whistleblowing, anti-bribery, anti-money laundering and anti-fraud and corruption.

The Committee raised concerns that there was a want of evidence to validate the absence of any cases of fraud. However, they subsequently took assurance that any incidence of fraud were reported to the Chair of the Governance, Audit and Scrutiny Committee and the Monitoring Officer.

Resolved – That the Committee endorse the Annual Anti-Fraud and Corruption Statement 2022/23 to the Humberside Fire Authority.

27/23 SCRUTINY ITEM – EQUALITY, DIVERSITY, AND INCLUSION STAFF FORUMS – The Committee received a report of the Head of Organisational Development in response to scope outlined in the Committee’s Scrutiny Work Programme for 2022/23.

Following the completion of Public Sector Equality Duty (PSED) from 2016-2020, the Authority decided to renew its approach to equality, diversity and inclusion (EDI) during 2020-2021, and instituted a new focus to the EDI Steering Group and invited staff to develop Staff Forums. Those forums were led by staff for staff and determined their own pace of development and role within the organisation. Three staff forums emerged from interest generated through the EDI Steering Group, and with organisational development internal consultancy support:

- Voices for Women;
- Voices for Disability, and;
- LGBTQ+ network forum.

The EDI steering group met quarterly, chaired by the Head of Organisational Development, who was also the Corporate EDI lead. The group members were a cross section of staff from across the Authority together with Heads of Function and an open invite to the HFA EDI champions. The Chairs of the Staff Forums attended the quarterly EDI Steering Group and actively contributed to the development and achievement of the EDI strategic priorities and PSED as well as identifying challenges for improvements within their forums for underrepresented staff within the Authority.

The Authority’s Strategic Leadership Team was fully committed to EDI and actively demonstrated it through the Senior Equality Ambassador roles as they work to promote equality, solve challenges to inequalities both within the service and the communities they serve. The equality strands included race and religion/belief, LGBTQ+, sex, disability, and age.

While the Authority was committed to positive action and promotion of the Authority as an employer of choice, it still suffered from societal, geographic and demographic challenges to overcome, including encouraging diverse communities to consider the Fire and Rescue Service as an employer of choice for them.

Members raised the following points:

- **Impact** – There had been a number of measurable impacts as a result of the EDI Staff Forums. One example was the adoption of a social model approach when responding to staff ill health. To achieve this, the Authority operated a policy of making ‘reasonable adjustments’ to working practices to accommodate staff health conditions. A further example included the contribution of the Voices for Women Group towards the Authority’s menopause policy. Ultimately, feedback from the forums indicated that they were satisfied that their contributions were meaningful and regular with support from EDI ambassadors between meetings.
- **Recruitment** – It was appreciated that there was room to diversify the demographical makeup of the Authority through targeted recruitment strategies and work with community groups. Initial efforts already taken, included providing an increased presence and engagement in areas of demographically diverse make ups. Suggestions moving forward included engaging with minority recruits to determine what the encouraging and discouraging factors where to applying.
- **Retention** – The forums also offered significant support to the prevention of health conditions which may have caused changes to working capacity or early retirement through the lived experience of staff. Furthermore, engagement with staff more generally helped to shape the Authority’s employment policies in order to improve staff satisfaction and ultimately retention.

Resolved – That the Committee endorse the work undertaken by the Equality, Diversity and Inclusion Staff Forums.